

REPORT

782

JAN 24 '31

OF THE

COMMITTEE APPOINTED BY THE CITY COUNCIL

TO INQUIRE INTO THE AFFAIRS

OF THE

London and Port Stanley

RAILWAY COMPANY.



LONDON, C. W.:

PRINTED AT THE OFFICE OF THE FREE PRESS, NORTH-STREET
1857.

REPORT,

ETC. ETC.

Your Committee, nominated to inquire into the affairs of the London and Port Stanley Railway Company, beg to report as follows:—

In answer to the inquiry as to whether the Company would be able to pay the interest now coming due on their bonds, held by the city, the reply was to the effect that the Company would not be able to do so, and that the Council, in striking a rate, should not rely upon the Company to meet its indebtedness. To the surprise of your Committee, however, they have learned that this inability, on the part of the Company, is partly in consequence of a large amount of the private stock not being paid up. This will be seen by the annexed statement, furnished by the Board, marked "A." This statement shows that private stock, to the amount of nine thousand eight hundred and seventy-five pounds, was taken in the Railway, but that of that amount four thousand five hundred and nine pounds ten shillings only was paid, leaving a balance due of five thousand three hundred and sixty-five pounds ten shillings. From this statement it appears also that the several Municipalities have all paid up their stock in full, but that the Directors, with the exception of Mr. C. J. Hope, who lately joined the Board in the room of Mr. Barker, resigned, have been transacting the business of the Company without paying up their stock due. On inquiry, your Committee ascertained that Messrs. Anderson, Morrill, Adams and Pomroy gave notes to Ryno and Winstead for the amount due on their stock, at or about the time when it seemed likely that the public would be informed of their deficiencies. Your Committee believe that the course pursued by these gentlemen in paying for their stock by notes to nominal contractors was informal and irregular, and only done for the purpose of making their position seem better in the eyes of the citizens, in case a statement was made of the paid and unpaid stock. Neither can they approve of the parties giving promissory notes to contractors for money due the Railway of which they are the Directors, as such a course might give the former a certain degree of power over them. These notes were given for unpaid instalments, a course which the law does not contemplate, nor is any interest allowed on the notes for the amount of the unpaid calls up to the dates of the notes, or for the discount on the notes, which mature this month, with one exception. The notes so given amount, in the aggregate, to six hundred and eighty-seven pounds and ten shillings.

In reference to the above, your Committee would recommend that steps be taken to secure the payment, where possible, of all the unpaid stock, and that the Company ought to insist that the gentlemen who gave the notes be made to pay the interest and discount referred to. Your Committee regret that when the Council was informed by his worship that the Company would not be able to meet the interest on their bonds falling due, he did not at the same time communicate to

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you that he and his brother Directors and Stockholders had not paid up their private stock, and that many who can ill afford it will now be called upon to pay a tax, for which there would have been no necessity had the Directors of the London and Port Stanley Railway compelled those who were able to pay up their stock. Your Committee learn that the Board of Directors offered, upwards of twelve months since, to lease their lands in St. Thomas for building purposes, but that they did not carry out their intention, owing, they state, to some opposition to the scheme of parties in St. Thomas. Since then the Company have allowed Mr. E. Paul, one of their number, to erect a store on the land in question, and for which he pays no rent, nor is he bound to do so, or to give an equivalent for the convenience. Your Committee being aware that the Municipality of St. Thomas have taken stock to the amount of eight thousand five hundred pounds, and that they have loaned eight thousand, and that the County of Elgin have taken stock to the amount of twenty thousand pounds, must, when reflecting on the liberal support thus afforded, signify their disapproval of such partial privileges being afforded to this Director.

Your Committee condemn the course of the Directors, in not either compelling Mr. Paul to remove his building, or in not offering to the inhabitants of these Municipalities an opportunity of competing for the advantages which are extended to that gentleman for nothing. The Council will not forget coupling with this transaction the fact of this same Mr. Paul owing to the Company a large amount for calls due on his private stock.

Your Committee now beg to report with regard to his Worship the Mayor's connection with the London and Port Stanley Railway, which we find the most disagreeable part of our duty; nothing but a sense of their duty to the public and this Board would free them from the unpleasant task which they are obliged to undertake with regard to his Worship. For some time previous to the nomination of your Committee, it was rumoured that his Worship held the position of Contractor as well as Director, and a statement to that effect was also made by one of the Directors, Wm. Barker, Esq., in a letter published in the City papers. Your Committee proceeded to satisfy themselves on this point, and find that at the beginning of this enterprise Mr. Leonard became a Director by the right of his private stock. On reference to the minutes, your Committee find that a meeting of the Board was held on the 5th day of December, 1855, for the purpose of receiving tenders for the building of the cars for the road. At that meeting Mr. Leonard was present, and Mr. Pomroy moved a resolution, seconded by Mr. Morrill, that the tender of Messrs. Ryno & Winstead be accepted, provided they give the Company a satisfactory guarantee to do such repairs as might be required upon the rolling stock of the road, for five years, in rates to be agreed upon by the Mechanical Superintendent, and in case of disagreement, such rates to be submitted to the Mechanical Superintendent of the Great Western Railway Company. [We should here remark that Mr. Bowman was appointed Mechanical Superintendent in the October previous, at the instance of Mr. Leonard. Upon this occasion Mr. Leonard did not state that he had any connection with the Contractors, but, on the contrary, in reply to a question from Mr. Barker, replied that they were citizens, and responsible men. Mr. Barker states, that upon this occasion Mr. Leonard did not announce that he had any interest in the contract, and did not offer to resign. Subsequently, in July, 1855, a loan of twenty-five thousand pounds was made by the City to the Company, and after that a Committee Meeting was called for the purpose of dividing the amount rateably between the Contractors. Mr. Leonard, on this occasion,

demanding seven thousand five hundred pounds for himself, and admitted that he was the Contractor, and declared that if that sum was not paid, he would not give the cars for the opening of the road. At this time only two thousand four hundred and fifteen pounds fifteen shillings was due by the Company for the building of the cars in London. The Board was compelled to pass a resolution, authorizing Mr. Leonard to get five thousand pounds in debentures, in order to get the cars to open the road. Mr. Leonard left the room indignantly when he was refused his first application, and dissatisfaction was expressed at the Board because Mr. Leonard had taken advantage of his position to enforce payment. After the loan was granted by the City in January last, four thousand pounds in cash were offered to Mr. Leonard, when he became indignant again, and said that they did more for other Contractors than they did for him, and left the room.]

At this time Mr. Leonard was Mayor of the City, and signed the debentures for the thirty thousand pounds, four thousand of which he got in cash, if what Mr. Leonard himself said was true. Assuming that what Mr. Leonard has admitted, and what Mr. Barker has asserted, to be true, it is undeniable that the former, as Director, voted that he himself should be the Contractor. If, also, what Mr. Leonard admitted is true, it is apparent that he used his position as Director subsequently to demand ten thousand pounds in debentures, to pay for work estimated, but not delivered, to the amount of two thousand four hundred and fifteen pounds, fifteen shillings. Further, believing Mr. Leonard and Mr. Barker, we find that he was the chief magistrate of the city when he signed the debentures for thirty thousand pounds, out of which he afterwards received, as Director and contractor, four thousand pounds. Your Committee would submit that if Mr. Leonard's own showing be correct, the Council will be forced to believe that the Mayor, as a representative of the city, to the amount of one hundred and fifty-three thousand pounds, and as a Director, by right of his private stock, was the *bona-fide* contractor for the building of the cars, and that the use of the names of Ryno & Wilstead was merely a convenience for his worship. We should here mention that Mr. Lawrason stated that Mr. Leonard said at one period he had no direct interest in Ryno & Wilstead, beyond renting to them his establishment, and supplying them with means, and offered to resign his Directorship, as it might be deemed he was an interested party. The Council will observe that Mr. Leonard, on this occasion, did not offer to resign because he was a contractor, but, on the contrary, repudiated the idea of having a direct interest in the contract, and then offered his resignation when it was very unlikely that the Board would accept it. But granting that Mr. Leonard's connexion with the nominal contractors was merely as the President understood it, a representation, you will observe is at variance with other statements of Mr. Leonard, your Committee do not consider that even in that position he should have been Director of the road, as he could not have impartially performed his duties of Director, and advocate the interest of Ryno & Wilstead for such large claims as they made, although not due. But no matter which statement of Mr. Leonard we are to believe, your Committee must entirely disapprove the conduct and manner of Mr. Leonard, as Director and guardian of the city's trust, acting as counsel upon all occasions for the payment of the claims of Messrs. Ryno & Wilstead against the Company. The Committee have been driven to advert to the Mayor's conduct in arriving at an opinion as to the past financial affairs and management of the Company's road, and they also desire to satisfy the Council and the citizens as to the charges made publicly, and at this Board, against his worship. The Committee

have given this part of your report every consideration, and they must say that they labour under great difficulty to know what to recommend in the premises. We hesitate before making any strong recommendations with regard to the conduct of his worship, as they might tend to embarrass the city's affairs; but we earnestly hope that the Mayor will see the propriety of at least resigning his private Directorship.

We cannot pass over unnoticed the conduct of Mr. Bowman, Mechanical Superintendent to the Board, as his name and position have been before the Committee very prominently and frequently in the evidence. The first matter with which we have to deal, in connection with this officer of the Company, is the fact that, in the month of December, 1855, when tenders for the construction of cars were received, that before submitting them to the Board, he, without orders or authority, opened these tenders, and by such a proceeding was enabled, if he thought fit, to alter or substitute a tender, and thus obtain the contract for whom he might desire. This conduct, coupled with the fact that Ryno & Wilstead, in whose tender the gentlemen who obtained his appointment had an interest, afterwards got the contract, your Committee believe calculated to be detrimental to the interests of the road, inasmuch as it would prevent future competition from parties who would expect the Board only to deal with their tenders.

In June, 1856, three tenders for the construction of turn-tables were received by the Board, and referred to Mr. Bowman, to report upon back to the Executive Committee. Instead of reporting, that officer let the contract to Ryno & Wilstead, without any reference or sanction of the Board or Executive Committee. It is needless to condemn such conduct as this. Your Committee, having the fact before them that the Board had cautioned Mr. Bowman relative to his conduct in the matter of the tenders for the construction of the cars, are surprised that they did not immediately dismiss him. We find that this officer, although appointed in October, 1855, at a salary of £400 a-year, did not report with regard to the bad material used in the construction of the road, until the 17th of September, 1856. It is true, that when he was appointed as General Superintendent of the road, he was not required to interfere with the works then under contract; yet we cannot but condemn the conduct of any such officer allowing, under his immediate notice, the Company to be defrauded in the manner described in his Report, and those of Messrs. Barker and Pomroy hereunto annexed and marked 1, 2, 3, and 4, appendix.

We call particular attention to this fact, that after receiving the Report from Mr. Bowman, namely, on the 17th of October, the Company paid to these very Contractors nearly \$2,500. The Company must not have credited what Mr. Bowman stated, or they are open to the charge of gross negligence, in paying the Contractors for work which they now say is of little or no value, although they were as fully informed then as now, if they had any confidence in their Mechanical Superintendent. Granting that the September estimates for which this sum was paid were all correct, and void of fraud, we say that the amount ought to have been retained by the Company until the deficiencies complained of by Mr. Bowman were made good.

This transaction is most unaccountable, after reading the Report referred to; and laid before the Directors one month previous to the payment of the money, it is no surprise that the road was over-estimated, if this be a sample of the general management. After reading these Reports, the question arises as to what Mr. Bowman was doing during the time he was in receipt of £400 a-year. Again, upon further reference to the evidence, your Committee find that this officer has

through neglect of duty allowed the Company to become responsible for 178 barrels of salt, lost or damaged, while in the Company's possession; that, according to the evidence, he has dismissed the servants of the Company, and employed more officers than were necessary, at an expense to the board, and without consulting them; that he allowed inferior Long Point iron to be used in the manufacture of car wheels by Ryno & Winstead without reporting to the Company, as far as your Committee have been able to ascertain.

Under all these circumstances, we do not think that the Company were justified in passing over Mr. Bowman's frequent breaches of duty without censuring his conduct severely, much less increasing his power, and placing the road almost entirely under his control.

Your Committee recommend that the offices of Secretary and Treasurer be taken from Mr. Bowman, and a sufficient check be adopted with respect to that officer to prevent a repetition of the like charges. We utterly disapprove of the present system and management of the Road, and of making Mr. Bowman everything to the Railway, and the sooner it is put an end to the better. We also say that too much power has been given him by the Board, and we think it a great injustice to give him the sole power of appointing officers to the road, and discharging the same. We recommend the appointment of a Secretary and Treasurer to be held by one officer.

The Committee have read over carefully the report of Mr. Monsarrat, and they find that it contains little except matter of a personal character, between himself and Mr. Adams. Mr. Monsarrat accused the latter gentleman with making use of his position as director to gratify private feelings, and in support of his charge, instances frequent attempts of Mr. Adams to reduce his salary or abolish his office. On one occasion we find that Mr. Adams recommended the appointment of a head clerk, and upon the same day Mr. Bowman took the liberty, without the consent of the Board, of recommending a party for the office, both reports hereto annexed, marked No. 4 & 5, being laid on the table at the same time. We can come to no other conclusion than that both parties were acting in concert. How did Mr. Bowman know that upon that occasion the Committee, by Mr. Adams, their chairman, would report in favour of a head clerk? Mr. Monsarrat was dismissed, however, subsequently, upon a report of Messrs. Adams, Pomroy and Leonard, annexed, marked No. 6 on the Appendix.

It will be seen that upon the strength of this report, Messrs. Adams and Pomroy were themselves appointed auditors, and also established a one-man power in the London and Port Stanley Railway.

Your Committee would recommend that the Company be requested to appoint an auditor for the city, to act with one appointed by the Board. Your Committee are the more anxious to have this officer appointed, as when an opportunity was afforded, a short time since, to appoint one of your body to the board, the Company selected a gentleman in preference to any of this Council, who would have enabled the Council to be additionally represented. We should have, at least, expected from the Mayor, that he would have been anxious to have the city's great interest in the road represented somewhat proportionably when the occasion was afforded, and it might also have allayed the public feeling against himself had he done so.

We beg here to call your attention to the reports of Messrs. Barker and Pomroy, already referred to, and would say that, as the matters of complaint therein referred to, are now under arbitration, they are precluded from making any detailed report with regard to them, and we desire that the said reports should be withheld from publication for the present.

While dealing with these matters of detail, your Committee would express their disapprobation of the course pursued by the Board, in giving Mr. Bowman power to let the cars to the Company's servants for excursion purposes, while they were liable for all accidents and damages. We unhesitatingly pronounce the practice bad, as it must be presumed that the same care and attention would not be devoted to the Company's property while its servants were intent upon making money on their own account. Your Committee would now beg to submit a financial statement, furnished them by Mr. Lawrason, the President of the Board, and in doing so would express their satisfaction with the amount of information contained in so small a space, and we cannot also but signify our approval of his desire to give the Committee every information in his power, and it must be a matter of regret to the Council to be informed that, owing to Mr. Lawrason's disapproval of the course of the Board in giving so many offices to one man, that he is about to resign, and thus deprive the Company of his excellent business qualifications. (Read the statement in Appendix.)

Notwithstanding the indisputable fact that in consequence of the unnecessary expense and mismanagement of the construction of the London and Port Stanley Railway, in Mr. Baker's opinion, to the amount of £50,000, yet we feel confident, judging from the above statement, from the likelihood of improved business prospects, and a certainty of a connexion in a short time with the Grand Trunk line, that the London and Port Stanley Railway, under fair and energetic management, direction, and economical working, will not fail to prove a prosperous and well-paying enterprise.

In connexion with this subject we would draw the attention of the Board to the propriety of making the road better known in parts of the United States likely to transact business with and through this and the adjacent counties, by appointing agents, and sending out advertisements, and to offer every facility to persons likely to establish lake communication with Port Stanley.

We would, in conclusion, suggest that the Board be requested to furnish in detail to the Council quarterly statements of their receipts and disbursements; and to publish also reports half-yearly with regard to the affairs of the road, its business and prospects.

All of which is respectfully submitted.

P. G. NORRIS, *Chairman.*

APPENDIX A.

11TH JUNE, 1857.

The Committee appointed by the City Council, comprised of Aldermen Holmes, Carling, Smith, Lester, and Cousins, to meet the Directors of the London and Port Stanley Railway Company, for the purpose of ascertaining the system of management and the financial position of the Company, and the probability of the Directors being able to pay the interest on the bonds now falling due.

The above Committee and Directors met this day, 11th June, in the London and Port Stanley Board Room.

Railway Directors present—Lawrence Lawrason, Chairman; S. S. Pomroy, and S. Price.

Benjamin Shaw attended at the request of the City Council Committee.

1st question by Alderman Holmes—Will the Directors of the London and Port Stanley Railway Company be in a position to pay the interest to the City of London on their bonds now falling due?

The Chairman, Mr. Lawrason, represented the Railway Board as being very anxious to pay the interest, but at present cannot state confidently their ability to do so, as difficulties may arise, owing to the Company's depreciation of business, and also the likelihood of a failure in their efforts to raise money on their own responsibility which they would be disposed to do, and would therefore advise the Council not to make a calculation on the Railroad Directors being able to meet the interest now falling due.

Copy of the Minutes of the Board of the 10th June, 1857, handed Mr. Norris.

2nd question by Alderman Holmes—How much private stock was originally taken; how much paid on same; when paid up, and how it was paid up?

A list of shareholders, as follows, with number of subscribers for amounts paid on, and arrears due :—

Names.	No. of Shares.	Amount of Shares.	Amount Paid.		Arrears.		Remarks.
			£	s.	£	s.	
Wm. Barker . .	10	250	100	0	150	0	
W. T. Renwick . .	10	250	250	0			
M. Anderson . .	15	375	375	0			
S. Morrell . . .	10	250	250	0			
Ed. Adams . . .	10	250	250	0			
E. Leonard . . .	20						
							Discount and interest on £262 10s. not paid.
							Discount and interest on £175 not paid.
							Discount on £200 not paid.

LIST OF SHAREHOLDERS, continued—

Names	No. of Shares.	Amount of Shares	Amount Paid.		Arrears.		Rem
			£	s.	£	s.	
E. Leonard . .	50	1750	175	0	1575	0	Has a contra account against arrear.
L. Lawrason. .	10	250	150	0	100	0	
M. Holmes . .	10	250	200	0	50	0	
Case and Wor- thington . .	10	250	250	0			With interest and dis- count on £50.
S. S. Pomroy . .	10	250	225	0	25	0	
A. Paul . . .	2	50	5	0	45	0	
J. K. Brown . .	2	50	40	0	10	0	
J. Gillean . . .	2	50	5	0	45	0	
Shaw & Vennor .	2	50	25	0	25	0	
C. J. Hope . . .	6	150	150	0			
E. Paul . . .	10	250	50	0	200	0	
J. G. Horne . .	1	25	2	10	22	10	
E. J. Parke . .	4	100	25	0	75	0	
H. Burwill . .	2	50	50	0			
G. Macbeth . .	8	200	40	0	160	0	
G. W. Boggs . .	6	150	15	0	135	0	
W. J. White . .	6	150	150	0			
B. Drake . . .	3	75	15	0	60	0	
W. T. Moore . .	6	150	60	0	90	0	
G. Southwick . .	6	150	150	0			
J. Sells . . .	6	150			150	0	
St. Geo. Caulfield	2	50	4	10	45	10	
Rhycond & Ni- cholson . . .	4	100	20	0	80	0	
G. Scott . . .	6	150	150	0			
W. D. Hale . .	10	250	25	0	225	0	
S. F. Holcomb .	10	250	250	0			
Bryce & Thompson	10	250	25	0	225	0	
R. Thompson . .	10	250	25	0	225	0	
R. Johnson . .	6	150	120	0	30	0	
J. Macqueen . .	10	250			250	0	Signature disputed.
A. Fordyce . .	6	150	150	0			
W. Burnside . .	1	25	25	0			
P. Kesus . . .	1	25			25	0	
S. Price . . .	6	150	60	0	90	0	
J. Bate . . .	4	100			100	0	
J. Wade . . .	5	125			125	0	
F. Mone . . .	2	50			50	0	
W. F. Somers . .	10	250			250	0	
J. Cattanaach .	2	50			50	0	
G. M'Pherson .	5	125	37	10	87	10	
A. Haine . . .	5	125	12	10	112	10	
G. G. Hamilton .	2	50	50	0			
A. Campbell . .	2	50	5	0	45	0	
A. Hodge . . .	6	150	75	0	75	0	
George Lloyd . .	2	50	50	0			

LIST OF SHAREHOLDERS, continued—

mes.	No of Shares.	Amount of Shares.	Amount Paid.	Arrears.	Remarks.
			£ s.	£ s.	
J. Carruthers . .	2	50	50 0		
J. Begg	5	125	12 10	112 10	
E. Haughton . .	4	100	10 0	90 0	
A. Weir	4	100	100 0		
T. Spragen . . .	2	50	50 0		
W. Smith	6	150	15 0	135 0	
J. Mitchell . . .	6	150	150 0		
Eliza „	2	50	30 0	20 0	
	395	9875	4509 10	5365 10*	

3rd question by Alderman Holmes—What is the indebtedness of the Railway Company? Answer by statement of the Chairman attached.

4th question by Alderman Holmes—Who are the officers of the Company and their salaries?

Superintendent, W. Bowman, £350; Book-keeper, £150; Boy Messenger, £50; Watchman, £75; Porter, £100.

Westminster Station closed.

St. Thomas Station Master, £150; Porter, £100.

Port Stanley Station Master, £150; Porter, £100.

Mr. Lawrason stated that Mr. Bowman was Superintendent, Secretary, Treasurer, and, in fact, everything to the Railway. Mr. Lawrason also stated, in justice to himself, that he strongly objected to the appointment, as it was giving too much controul to one man, as also imposing too much duty on any one person; he also objected, on the grounds of Mr. Bowman's unfitness for the office of Secretary, whilst he had full confidence in him as Superintendent; he also stated he would not hold himself responsible for the appointment, and, at the same time, made known to the Board his determination to resign his office as Chairman at the expiration of his term.

Mr. Adams and Mr. Pomroy were also appointed Auditors at a salary of £50 each.

5th question—Who has the appointment of officers? Answer—Mr. Bowman has the power of appointing the officers, subject to the approbation of the Directors, which at all times was given to him.

6th question—Was, or is, Mr. Leonard a contractor of the Company?

The President stated that Mr. Leonard represented that he had no direct interest in Ryne & Willstead, beyond renting to them his establishment, and supplying them with means, and offered to resign his office as Director, as it might be considered he was an interested party, but the general feeling at the Board was, he ought not to resign. President stated he never knew Mr. Leonard to be a contractor.

* Total amount of Shares held by private individuals, 395; the value of which is £9,875, of which there has been paid up £4,509 10s., leaving a balance of £5,365 10s. The Shares held by the City of London amount to £25,000, all of which has been paid up. That of the County of Middlesex £20,000, all of which has been paid. Elgin £30,000, which has also been paid, and St. Thomas £2,500, which has been paid up. Thus giving the total value of Shares to be £117,375, of which £102,000 10s. has been paid, and leaving unpaid £15,375 10s.

7th question by Alderman Carling—Has the Superintendent power to open tenders, and decide on the same without submitting them to the Board?

Answer.—Mr. Bowman having done so once, he was told by Mr. Adams it was irregular, and he never repeated it; it was in the case of the Ryno & Wilestead tender. Mr. Lawrason stated his belief it was from ignorance of his duty which induced him to open the tender.

8th question.—Is not Ryno & Wilestead's contract paid in full?

Mr. Pemroy said it was paid in this way, that Ryno & Wilestead had a repair account, and having received monies from time to time on it, they applied those monies to the contract account. The repair account should be paid monthly.

9th question.—Was the road let to parties on the Queen's Birthday? if so, by whom, and for how much?

Mr. Pomroy said the road was let to Mr. Eager by Mr. Bowman with the sanction of the Board, for the benefit of Mr. Smallman. At the special rate fixed by Mr. Bowman, they netted that day \$153 and \$10 for the Great Western, besides the ordinary freight. Mr. Bowman stated he had no interest in the special train.

10th question.—Are there any debts due the Company, and how much? See list of debts annexed.

6th July, 1857.

The Chairman called on Mr. Lawrason respecting some information touching part of the evidence given before the Committee.

Question.—Upon what conditions was Mr. Paul, one of the Directors, allowed to build a store upon the Company's lands at St. Thomas?

Answer.—The lands were put up at competition more than a year ago, and subsequently the Company refused to lease the lands, on account of some opposition offered to the scheme by the people of St. Thomas. A short time since Mr. Paul again applied to the Company to be allowed to build, as he had made preparations for the same, and the building materials were on the ground. The Company consented upon certain conditions, one of which was, that he should be bound to remove the building on three months notice if the Company desired it; these conditions were never reduced to writing, but the President stated that it was contemplated at the next meeting of the Board to have the conditions properly understood, and allow other parties the same privileges as Mr. Paul. Mr. Paul is not at present under any rent.

Question.—When the £25,000 was loaned to the Company by the city, what amount in debentures was demanded by Mr. Leonard for Ryno & Wilestead?

Answer.—When the £25,000 was loaned by the city, the Company could not sell the debentures, and consequently it was agreed that they would be offered to the Contractors. Subsequently Mr. Leonard and Mr. Adams met in the street, and Mr. Leonard applied for £10,000 in debentures for the Contractors, Messrs. Ryno & Wilestead. I replied that I would not consent to give that amount as the Contractors were not entitled to that sum for the amount of work done, and that they were only entitled to a portion of the debentures in proportion to their estimate. I cannot say what their estimate amounted to at that time. Mr. Barker is mistaken in stating that Mr. Leonard applied for only £7,500 in debentures. I am certain that the application was for £10,000 in debentures, the proceeds of which, in cash, would be equal to the amount mentioned by Mr. Barker, £7,500, as it was agreed that the Contractors should have the debentures at a discount of 25 per cent. I

am quite positive as to the above, as I had the debentures in my possession and the authority to offer them to the Contractors.

30th June, 1857.

Mr. Lawrason stated that the suspicions of the Board about the road not being completed according to contract, were first aroused by Mr. Bowman's report, dated 17th Sept., 1856.

This Report was given long before the final report, 10th December, 1856, of the Engineer; and Mr. Bowman was desired to make it by resolution of the Board or by verbal order.

Mr. Bowman, in reply to a question addressed to the President, stated that he had on several occasions complained of the wheels on the gravel cars, that they were partly constructed with Long Point and American iron. I cannot say how many wheels were broken. The cars were often idle whilst the wheels were repairing. Saw some wheels cracked on their being turned out of the shop. I complained of the castings. I complained to Mr. Leonard and Ryno & Wilstead. It was an expense to the Company to have so many wheels broken. The material in wheels kept flying for eight and nine months after the road opened. All the wheels on the road are good except those first cast.

MEMORANDUM.

Cost of Construction of the London and Port Stanley Railway, as per statement . .		£244,319 17 6
Comprising the following items:—		
Paid for right of way	24,140 3 11	
“ for Iron	35,431 18 2	
“ for Rolling Stock	18,160 7 3	
“ for Buildings, including turn-tables and fittings	8,106 15 3	
“ loss on Debentures . £27,025 17 6		
“ for Interest 10,756 6 7		
	37,802 4 1	
	£123,641 8 8	
Superstructure and incidental expenses . .	120,678 8 10	
Salary of Engineer and for right of way not yet paid, say	8,000 0 0	
	£252,319 17 6	

No. 2.

Present liabilities for right of way, say . .	8,000 0 0
Due the Banks on individual notes of Directors	2,500 0 0
Other debts per statement	6,200 0 0
	£16,700 0 0

ASSETS.

Including stock collectable, money in Bank, and traffic accounts	5,750 0 0
	£10,950 0 0
Balance considered floating debt.	

APPENDIX A.

STOCK IN THE ROAD.

City of London	£55,000	0	0
County of Middlesex	20,000	0	0
County of Elgin	20,000	0	0
Town of St. Thomas	8,500	0	0
Total Municipal	£103,500	0	0
Private Stock	8,500	0	0
Total Stock	£112,000	0	0

LOANS.

City of London	£43,850	0	0	Con. M.L.F.
Do.	25,000	0	0	Secured by 1st Mortgage Bonds.
Do.	30,000	0	0	Secured by 2d Mortgage Bonds.
	£98,850	0	0	
Town of St. Thomas	8,000	0	0	Secured by 1st Mortgage Bonds.
Total Stock	£112,000	0	0	
Total Loans	£106,850	0	0	
	£218,850	0	0	
First Mortgage Bonds issued to Pierson, Case & Co.	22,751	17	4	
Total	£241,601	17	4	

No. 5.

First Mortgage Bonds not issued, in President's hands	£	243	6	8
Second Mortgage Bonds lodged with City of London	20,000	0	0	
Total Bonds remaining	£20,243	6	8	

No. 9.

Estimated Traffic for 6 mos. to 30th November, 1857	£5,625	0	0
Six month's working ex- penses	3,375	0	0
Balance, Revenue	£2,250	0	0

No. 6.

Estimated amount that will be required to complete the ballasting	£	2,700	0	0
Estimated amount that will be required to put the road in perfect working order— including 20 train cars, grain warehouse at Port Stanley, and 5 miles of iron for repairs, let, but which may chiefly be dispensed with at present	23,588	5	0	
	£26,288	5	0	

No. 7.

Traffic returns for the month of May, exclusive of Mails, for which no payment has yet been received.

Total receipts		\$2,794 50
Running expenses, including		
March repairs, &c.	\$1,589 95	
Expenses for construction, ballasting	846 61	
	<u>\$2,436 56</u>	

No. 8.

Net earning for traffic for first week in June, 6 days, from 1st to 6th inclusive—

Passenger	351 18
Freight	583 67
	<u>\$934 85</u>

Average per day . . . \$155 80

MEMORANDUM.

From statement No. 1, it appears that the amount expended for interest and less on discounts in selling Debentures, amount together to . . . £37,802 4 1

And the amount paid for the right of way . . . £24,140 3 11

And estimate for Debentures not yet paid, say . . . 8,000 0 0

Making in all for right of way . . . £32,140 3 11

The original estimated cost of the road and rolling stock, buildings, &c., was £188,189, in which sum the right of way was estimated at £7,500 by the Engineer, who knew nothing of the value of the land. The large amount for interest and discounts, which was unavoidable, under the pressure of monetary affairs, when the road was building, and the great difference in the cost of right of way, will account in a great measure for the additional cost that will be incurred in the construction of the road.

No. 2.

London, 30th May, 1857.

SUNDRIES ASSETS DR. IN ACCOUNT WITH LONDON AND PORT STANLEY RAILROAD COMPANY.

To total balance due on stock to date, exclusive of interest	\$22,402 00
" Adam Hope & Co.	353 23
" E. Adams	17 89
" London Gas Company	426 58
" M. Anderson	887 14
" E. Leonard	80 15
" Craig & Campbell	14 70
" Paul Phipps	260 13
" Great Western Railroad	15 30

	Carried forward	\$24,457 12
" Sundry items of freight due, not delivered at this date		335 85
" Balance at credit Commercial Bank of Canada, London		1,365 65
" Outstanding Ledger accounts		26,158 62
Deducting stock that cannot be collected		4,478 00
Add further Bank deposits		\$21,680 62
		1,320 00
Balance to June, 1857		23,000 62

London & Port Stanley R.R. Office,
London, 30th May, 1857.

THE LONDON AND PORT STANLEY RAILWAY COMPANY DR. IN ACCOUNT
SUNDRIES, LIABILITIES TO DATE.

To Schenectady Locomotive Works	\$5,788 00
" Ryno & Wilstead	2,350 00
" Do. de. Turn Table	3,870 44
" Adam Hope & Co.	1,040 00
" William Bowman	520 00
" William Barker	200 00
" Cornelius Coughlan	996 80
" Charles Cammell & Co.	250 32
" John Smith	20 53
" Alexander Love	8 00
" Claris & Allworth	123 72
" Murray Anderson	413 00
" A. A. Andrews	23 63
" Lionel Ridout & Co.	25 49
" A. G. Smith	310 00
" Pearson, Case & Co.	59 69
" Craig & Campbell	3,371 75
" " Note	400 00
" E. J. Parke	782 25
" Great Western Railway	136 00
" James Mitchell	96 40
" Blackburn, <i>Free Press</i>	400 00
" A. Chambers	212 41
" Routh, Davison & Arkell	18 82
" Joint Note Directors	4000 00
" Amount Monthly Pay Sheets	2,319 65
" Note at Bank Upper Canada	6,000 00
" Hale's Drafts	1,070 00
" Right of Way	\$34,806 90
" Due on Sterling Bonds, P. C. & Co.	32,000 00

Estimated Traffic and working expenses for the London and Port Stanley Railway, for six months ending Nov. 30, 1857.

Six months traffic	\$22,500 00
" " expenses	13,500 00
Balance for revenue	\$9,000 00

Estimated amount required to finish the road—

Replaced Rotten Beech Ties	16,100 00
Ballasting 36,000 yards at 30 cents	10,800 00
An additional Engine	11,787 00
Grain Cars, 20, or Box Cars	16,000 00
Grain Warehouse at Port Stanley	24,000 00
Five miles of iron	24,750 00
Chains to replace broken ones	500 00
Painting Bridges	1,000 00
	\$104,937 00

No. 1.

London, 30th May, 1857.

Total earnings of Road for Month of May, 1857, viz.—

Received for Passenger Traffic for Month	\$1,526 02
" " Freight do. do.	1,062 41
" " Excursion 25th	153 00
" " Express freight	27 12
" " Stone sold.	21 25
" " Storage	4 70

\$2,794 50

Total expenses for running of Trains, Station Masters' Salaries, Engineers, Conductor, Baggage-men, Brakesmen, &c., and also Track repairs . \$1589 95

Total expenses for construction, including 32 days and Trains, for St. Thomas . 846 61

Total earnings for Passengers and Freight forwarded from all Stations for week ending 6th June, 1857—

	Passengers.	Freight.
London Station	\$190 49	\$195 30
St. Thomas.	99 45	18 56
Port Stanley	61 24	369 81
	\$351 18	\$583 67
Passenger		351 18

\$934 85

London, 8th June, 1857.

Average per day \$155 80

MR. BARKER'S EVIDENCE.

June 18th, 1857.

William Barker gave the following evidence:—When the first £25,000 was granted by the city, the money was to be divided equally in proportion to the several claims of the Contractors, and for that purpose a meeting of the Executive Committee was called by Mr. Leonard on the 4th of July last. Mr. Leonard, one of the Directors, stated, "I must get £7,500." In answer I said, "what have you got to say to it, you have nothing to do with the money, you are not a Contractor." He replied, "there is no use in beating about the bush, the whole Board is aware that I am the Contractor, and unless I get that amount you shall not get the cars for the opening of the road." He, Leonard, asked for that sum for the building of the cars although the work for which he claimed the same was not finished at the time, nor for ten weeks afterwards. The amount due to Ryno & Wilestead, when Mr. Leonard made this demand was £2,415 15s. Mr. Leonard said that if he did not get the £7,500 now, although the work was not completed, when the work would be finished, he, Leonard, would not be able to get the money, as the Debentures would be all gone. I rejoined he must take his share with every other Contractor. If Leonard got the full amount he claimed at the time, my opinion is, that Craig & Campbell would not be paid their share. I called Mr. Leonard's attention to the fact that he could not make a claim for work not delivered. In reply to this he made the answer above referred to respecting the Debentures. I am asked why the Board consented to give Mr. Leonard £5,000 in Debentures at this time, and I say that they were forced to do so by Leonard threatening to withhold the cars and not allow the road to be opened. The Board were actually compelled by Leonard's demand to pass a resolution giving him that sum. The proceeds of the Debentures amounted to £3,750. I have no doubt Mr. Leonard negotiated these Debentures and got the money. The discount twenty-five per cent. off the face, was to be charged to the Company. After Leonard left the Board the members present expressed their dissatisfaction at Mr. Leonard taking advantage of his position for his own benefit. The members present, after Mr. Leonard's leaving, were Messrs. Lawrason, Morrill, Adams, Anderson, and myself. When the £30,000 were loaned by the city a meeting was held by the Board to dispose of the proceeds. Mr. Leonard was informed that he would get £4,000 in cash. He became indignant for not getting more, and complained of being badly used by the Directors; and stated also that justice was never done him, that they did more for other Contractors than they did for him. Mr. Leonard again left the room annoyed at the Board for offering him so small a sum. After he left Mr. Lawrason cautioned me not to have any angry words with Leonard as he might refuse to sign the Debentures, he being Mayor. Cheques were issued to Ryno & Wilestead for £4,000. The Board expressed themselves very strongly against Leonard's conduct. Present Messrs. Lawrason, Morrill, Adams, and myself. I say that Mr. Leonard was Mayor of the city when he signed the Debentures for £30,000, out of which he afterwards received from the Company £4,000. At the time of the contract being given for the building of the cars, Mr. Leonard did not, in my presence, offer to resign his Directorship, nor did he state that he was the Contractor or had any interest in the Contract. And I say that I never expressed my satisfaction at his being a Contractor, on the contrary I always disapproved of it. After the £5,000 in Debentures were given to Mr. Leonard, the Directors all knew that he was the Contractor or had an

interest indirectly. Mr. Bowman was appointed on the 3rd of October, 1855, as General Superintendent of the road, at a salary of £400 per annum, upon a resolution moved by Mr. Leonard and seconded by myself. I seconded this resolution at Mr. Leonard's request, knowing that the report of the Committee recommended his appointment, and knowing also that my opposition in the Committee was ineffectual.

On the 6th of August, 1856, Mr. Bowman was re-appointed General Superintendent of the road, at a salary of £400 per annum, upon a resolution moved by Mr. Anderson, seconded by Mr. Leonard. I opposed Mr. Bowman strongly on this appointment upon various grounds. I did not consider him a competent person. I desired at this meeting to have my name entered as a dissident.

Notices for tenders were issued in the month of _____ for the construction of cars. On the 5th of December, 1855, the tenders were received and opened by Mr. Bowman previous to their being laid before the Board. When I saw this I condemned the proceeding at once, and the following notification was addressed to Mr. Bowman by the Secretary, "I am directed to request that all tenders of every description be reserved in future to be opened by the Board." We proceeded to examine them however, and Ryno & Wilstead had the lowest tender. Mr. Bowman had no authority whatever to open the said tenders. On this occasion I enquired who Ryno & Wilstead were, and I was informed by Mr. Leonard that they were citizens and responsible parties. I remarked that I was glad they were, and therefore acquiesced in their getting the contract. There was no suggestions at this time made by Mr. Leonard that he even knew the parties, more than what he stated about their being citizens. Notices calling for tenders for the construction of Turn Tables were issued, and three were received and opened on the 5th of June, 1856; they were referred to Mr. Bowman at Leonard's suggestion, although it appears to have been at my instance, for him to report to the Executive Committee. Mr. Bowman did not report to that Committee, nor were they ever called together to receive one. Mr. Bowman altered the specification and let the contract to Ryno & Wilstead without the consent of the Board or the Executive Committee. Mr. Bowman was called in at a subsequent meeting of the Board, and he explained that it was a saving of money to the Company to have the contract entered into at once. I say that the repairs for five years were given to Ryno & Wilstead without competition:

Thomas Nicholson was discharged without the Board being consulted or any charge being made out against him, by Mr. Bowman.

I charge Mr. Bowman with employing more men than was necessary, and thereby causing an expense of fifty per cent. upon the working of the road. In the month of March last I went over the road to make an examination with Mr. Pomroy, and I found at one of the Stations about 100 cords of wood of the worst quality, a large quantity of bass wood and rotten elm wood, the greater portion of it did not average 3 feet. I called Mr. Bowman's attention to it. He stated that he had not received it, but he allowed one hundred cords to be put there, and was not aware of it when I spoke to him. By his negligence the Company were made responsible for 178 barrels of salt, lost or damaged at Port Stanley. I know that the *Free Press* opposed the Port Stanley Road at the commencement, and in one week it turned round and advocated the taking of stock along the line.

I think the sale of the land from Leonard to the Company was *bona fide*. I was asked my opinion as to the value of the land. I said it was worth £10 per foot. The Company gave £14 per foot, because Mr. Leonard would not take less.

I say that Mr. Bowman appointed a Book-Keeper at a salary of £150 per year, without the knowledge of the Board, and a Messenger at £50 per annum.

I say that Mr. Bowman has too much power for the safety of the road, and retaining him in the employ of the Company would be against the interests of the City in my opinion.

I say that Bowman gave on the Queen's Birthday the use of the cars to Messrs. Eager & Allworth for \$153. These parties being the servants of the Company. The parties realized about \$700. Bowman recommended the Board to make this arrangement, the Board acceded to his request not only for that time but for the future. I moved a resolution against it and could not get a Director to second it, out of Messrs. Price, Adams, Pomroy, Howard, Leonard, Johnson, and Morrill.

I saw at St. Thomas several gravel cars with defective wheels which ought to have been repaired without any charge.

I say that in my opinion it is injurious, and against the interests of this City that Mr. Leonard should continue a Director and Contractor of the London and Port Stanley Railway. I say that the Company have sustained, since the commencement of the road till now, a loss of about £50,000, through overcharges, carelessness and mismanagement of the Board their Contractors and Officers.

I asked Adams and Leonard why we did not meet about the resolution mentioned in Monsarratt's evidence. Four of us met in Leonard's office. Before a word was said Mr. Leonard took out of his pocket a report, the report which dismissed Mr. Monsarratt. I objected to having Mr. Monsarratt's office ignored, and they said Mr. Monsarratt must go out.

I accused them of not reporting upon the most important part of the resolution upon which the report was founded.

I say that Mr. Adams was doing an injury to the Company in seeking to discharge Mr. Monsarratt and giving the office to Mr. Bowman.

Mr. Adams desired to employ a Mr. McKendrick to negotiate debentures in England, and called a meeting of the Board to authorize the payment of that gentleman's expenses to England, whether he succeeded or not; the expenses he thought would be about £500. He was to get 2½ per cent. on the amount negotiated, besides the expenses. I objected and threatened to call a meeting of the citizens, and the scheme was abandoned.

Mr. Leonard recommended and brought Bowman before the notice of the Board.

The Board was not consulted in the appointment of Mr. Chase by Mr. Bowman, at a salary of £150 per year.

Also the appointment of a Messenger at £50 per annum.

MR. MONSARRATT'S EVIDENCE.

June 19th, 1857.

Charles Monsarratt attended to give evidence.

Mr. Price, one of the Directors objected to the investigation being proceeded with, on the ground of Messrs. Lawrason and Pomroy being absent. The Committee were anxious however to proceed, and Mr. Monsarratt made the following statement.

I was appointed Secretary to the Board of Directors, on the 6th September, 1854, at a salary of £300 per annum, the engagement was

to be for one year. Mr. Pennefather intimated that he would resign his office unless his salary was increased to £450. I continued a servant of the Company from October, 1854, to April, 1857, at the same salary. I say that Mr. Adams wrote to Mr. Pennefather wishing to know the particulars of his resignation. Mr. Adams' letter produced, dated September, 1854. It was stated that Mr. Lawrason would advise an increase of the salary in Mr. Pennefather's letter, marked number two. Other letters were produced. I say that these letters were brought before the Board afterwards by Mr. Lawrason, and a resolution was passed condemning the correspondence of Mr. Pennefather and Mr. Adams. Said correspondence was ordered to be withdrawn from the official papers of the Company.

During the first year of my services there were nineteen meetings of the Directors, out of which Mr. Adams attended three, and once to serve a private friend, a Mr. McKendrick of Hamilton. This meeting was held on the twenty-fifth of May, 1856, and was called by Mr. Adams, as I understood.

At this meeting a resolution was proposed by Mr. Adams to employ Mr. McKendrick and pay his expenses to England, for the purpose of assisting Mr. Hincks to negotiate the bonds of the Company. [Mr. Price read a resolution of Mr. McBride's, which appeared to have been sent to him since he took his seat.] This meeting was called on a half hour's notice, and Messrs. Adams, Pomroy, Leonard, Morrill and Barker attended. I refer to the transaction in order to show the inconsistency of Mr. Adams, in wishing to pay the expenses of Mr. McKendrick to England, and afterwards in reducing my salary from £300 to £150 on the score of economy. At a meeting shortly after, September, 1855, Mr. Adams moved, seconded by Mr. Lockyer, that the present officers of the Company be continued at their present salaries, and to hold office during the pleasure of the Board. This resolution was carried. My year expired on the thirtieth of September. At a subsequent meeting, held very shortly after, either in November or December, Mr. Adams moved a resolution, that my salary should be reduced to one-half; there was no Director to second this resolution, but Mr. Adams was requested to postpone his resolution for a full meeting of the Board. At a meeting in January or February, 1856, Mr. Adams proposed, after several of the Directors had left the room, that Mr. Bowman should perform the duties of Mr. Monsarrat. A second time Mr. Adams was requested to postpone his motion for a full meeting, and so it laid over. In moving these resolutions Mr. Adams assigned as a reason for making the proposed alterations, that economy was his motive for doing so. At the next subsequent meeting there was an unusually large attendance of the Board, and Mr. Adams did not bring forward his resolution, his reason for not doing so, in my opinion was, that too many friends of mine were present.

On the 2nd July, 1856, Mr. Adams moved, seconded by Mr. Barker, that the President, Messrs. Paul, Leonard, Anderson, and the mover, be a Committee to report what offices were necessary for the working of the road, &c. At the next meeting, 6th of August following, Mr. Adams reported (see Report in Appendix D). I wish to call the attention of the Committee to the fact that this report ignored the office of Secretary and Treasurer, and recommended the appointment of a Head Clerk. On the same day the report in the Appendix, signed by Mr. Bowman, was laid on the table with Mr. Adams' report, Mr. Bowman recommended the appointment of a Head Clerk, as suggested by Mr. Adams, without any authority from the Board to do so. Mr. Adams' report was rejected, and an amended report was put in by Mr. Anderson, which

was adopted. This report did not ignore the office of Secretary and Treasurer.

On the 11th of March, 1857, a meeting was held. Mr. Adams moved, seconded by Mr. Morrill, that Messrs Leonard, Barker, Pomroy, and the mover, be a Committee to report to the Board, at the next meeting, the amount of the construction account, the monthly receipts and disbursements and repairs. I say that there was no report in accordance with this resolution—goes on to say and to report generally to the Board, upon the working and management of the Board in its various branches, and to suggest for the approval of the Board any improvement in management which they may deem necessary, and to report also the amount of interest accruing due each month on bonds, &c. This last clause of the resolution was not attended to; accordingly on the 8th of April following a report was put in, signed by Messrs. Adams, Pomroy, and Leonard (see report in the Appendix). There was no provision made for a Treasurer, and the whole management of the road was given to Mr. Bowman. The parties who voted for this report were Messrs. Paul, Johnson, Leonard, Adams, and Morrill. I think it was injurious to the Company to have so many offices given to one man. Mr. Bowman received the balance of the money in my hands when I retired. I understood that this report made Mr. Bowman Treasurer. The books and accounts, &c., were audited before I left, and found correct. I say most decidedly that I have been dismissed from the office I held in the Company by the influence of Mr. Adams, and that he exerted himself upon various occasions to drive me from the office, and used his position as a Director to gratify his private feelings against me, by which conduct he injured the Company by giving the office of Secretary to a party who held other offices.

In reply to Mr. Price—I came here to-day to give evidence to show the injustice done me by Mr. Adams. I did not come here to gratify my own private feelings or to benefit the Company.

In answer to Mr. Price—It was expressed by Mr. Barker at my re-appointment that I should devote the whole of my time to the duties of my office, but not embraced in any minute or resolution of the Board, no dissent was made by any of the Board to any of Mr. Barker's views, and he supported me on condition that I would attend to the duties of my office. I held the office of Secretary and Treasurer to the Building Society only with my office as Secretary to the Board, since the office was removed to the Company's buildings, I applied myself exclusively to the Company's business during office hours, and took my son from Hope & Co.'s to attend the duties of the Building Society. I was always afraid of giving up the latter office, for I did not know what moment Mr. Adams would succeed in getting me discharged. The office was removed to the Company's buildings in January last.

Before taking the evidence of Mr. Monsarrat, Mr. Bowman was requested by the Chairman of the Railway Committee to retire. Mr. Bowman appealed to Mr. Price who objected, and said, that if that was insisted on, he, Mr. Price, would insist on either Mr. Barker or Mr. Monsarrat retiring. The Railway Committee withdrew their objection, and the parties remained *præsent*.

To the President and Directors of the London and Port Stanley Railway.

GENTLEMEN:—The Committee appointed at the last meeting of your Board, to recommend a plan for the working of the London and Port Stanley Railway, beg to Report as follows:—

That the following officers possessing the qualifications stated, will be sufficient to conduct the business of the road, viz.: 1st. General Superintendent and Engineer, his duties to take general charge of the Company's property, look after the track, rolling stock, and working of traffic, having the employment of all employees, with the exception of those hereinafter enumerated, and the Conductors, which shall be appointed by the General Board; but subject to the jurisdiction of the Superintendent. He shall sign all orders for materials required, but all items over \$20 shall be countersigned by the President. An Order-Book to be kept, into which all articles ordered or required shall be entered, and submitted to the Board (or Committee appointed) as often as they meet. All bills must be certified by him prior to payment, and for any small purchases (cash) he be authorized to advance for sums, not exceeding \$20, and report monthly. He shall not contract for carrying any freight at any other than the tariff prices, without the special sanction of the Board, or in urgent cases demanding immediate action, by the consent, in writing, of the President and Vice Presidents or two or more Directors. He shall have power to issue free passes over the road, but a record or duplicate of all such passes stating why issued shall be laid before the Board at their monthly meetings. All reports relative to the working of the line, in its various departments, shall be prepared by him.

Officers wanted whose appointments shall be made by the Board.

LONDON—Head Clerk, Assistant and Station Agent.

The Head Clerk must be a person well acquainted with Railway business generally, so as to be qualified to open and keep such books as are necessary for the working of the different departments of the road. He shall take general charge of all the accounts, (and act as Secretary at all meetings of the Board,) embracing the track, rolling stock, and traffic department. He will require one or more assistants, as the freight and passenger office at London would be under his charge.

Station Agent—His duties to be to see that all goods received, inwards and outwards, are properly despatched; that all trains leave and arrive in time, and to transact the general business on the Station. It would be well if this person had some mechanical knowledge of the cars and engines, so as to be qualified to take an oversight of trains coming in and going out, and be able to order such small repairs as were imperatively necessary. The reason for this necessary qualification is that as our establishments are, and must be kept small, it will not pay to have a mechanical foreman—we having no repair shops of our own—our stock also being small—our repairs must be promptly attended to. This officer ought to be acquainted with railway working and must be Head Station Master. The Trains working during the absence of the Superintendent to his instructions. No other Station Agent having power to order out any Special Train without his sanction in writing.

WESTMINSTER—A Station Agent of a common grade, acting as Porter and Switch Tender, there being very little business to be done here, and there would be no necessity of a Ticket Officer.

ST. THOMAS—A Station Agent, whose duties will be to attend to the passenger and freight, and conduct the general business of the Station.

PORT STANLEY—A Station Agent and Assistant, duties similar to St. Thomas.

EDWARD ADAMS,

London, 18th July, 1856.

Chairman.

3rd August, 1856.

To the Board of Directors of the London and Port Stanley Railway.

GENTLEMEN:—I beg to bring under your notice the attached applications for situations in connection with your road. I would press the application and testimony of Mr. McMillan upon your serious attention, as I think he would be a most suitable person for to open your books and occupy the position of Head Clerk. His railway experience is of that general character that is rarely to be met with. It will be absolutely necessary to make some appointment to this office immediately, as all books, tickets, forms, &c., have to be prepared and printed before the line opens, there is too little time now at most to get them ready.

I attach a letter from the Niagara Car Works relative to passenger cars. I have requested them to keep them under cover until we are ready for them, as we have no place to put them.

I also would bring under your notice a letter from the Schenectady Locomotive Works, relative to the second engine waiting your instructions. I remain, &c.,

W. BOWMAN.

To the President and Directors of the London and Port Stanley Railway.

Your Committee, appointed at the last meeting to enquire into the management of this Railway, and to suggest improvements in such management, beg to report as follows:—

That in their opinion the present management is, not only too expensive, but insufficient from a want of a direct control.

They beg to suggest that the entire control of the road and offices be entrusted to the Superintendent, who shall act in the employment of all persons on the Railway, and the expenditure of all monies upon authority of the Board, and to secure full information to the Board, at their meetings shall act as Secretary.

With a view to reduce the expense of management we would suggest, that the following officers only be employed, and that their salaries be as affixed—

	Superintendent	£350	0	0
	Book-Keeper	150	0	0
LONDON.	Boy	50	0	0
	Watchman	75	0	0
	Porter	100	0	0
WESTMINSTER	To be closed.			
ST. THOMAS.	Station Master	150	0	0
	Porter	100	0	0
PORT STANLEY	Station Master	150	0	0
	Porter	100	0	0

By this plan we estimate that between £800 and £900 will be saved annually in the working of the line, and we consider the efficiency of the Staff will be amply secured.

Your Committee would recommend that two of the Directors be requested to act as Auditors, who should visit the office here once in each week, and thoroughly examine all books and accounts, and for the performance of such duty they should be paid fifty pounds each per annum.

We are also of opinion that a less number of men would be sufficient to keep the road in order, and recommend that the Superintendent be requested to reduce their numbers as much as possible.

We would also suggest that the Gravel Train should be discontinued as soon as possible, as your Committee cannot see from what source they are to be paid if continued. We are, &c.,

EDWARD ADAMS,
S. S. POMROY,
E. LEONARD.

